

# TENNESSEE REGULATORY AUTHORITY



Pat Miller, Chairman  
Deborah Taylor Tate, Director  
Sara Kyle, Director  
Ron Jones, Director

460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

February 8, 2005

## **HAND DELIVERY**

Charles B. Welch, Jr., Esq.  
Farris, Mathews, Branam, Bobango, Hellen, & Dunlap P.L.C.  
Historic Castner-Knott Building  
618 Church Street, Suite 300  
Nashville, TN 37219

Re: Time Warner Telecom of the Mid-South, LLC – Debt Financing Transactions  
TRA Docket No. 04-00051

Dear Mr. Welch,

I am writing in response to your letter of February 4, 2005 addressed to Aster Adams regarding the transaction of Time Warner Telecom Inc., et al., ("TWTC") approved by the Tennessee Regulatory Authority ("TRA") in the above captioned docket. As indicated in your letter, TWTC filed a petition with the TRA on February 17, 2004 for approval of debt issuance that involved the pledge of the Tennessee assets of Time Warner Telecom of the Mid-South, LLC ("Time Warner"). The petition was approved by the TRA on April 12, 2004 with that decision being reflected in an Order issued on May 18, 2004. While the Order describes the transaction, in part, it specifically reflects approval of the petition as filed with the TRA.

Your letter of February 4, 2005 indicates that the transaction being contemplated by TWTC Holdings, Inc. "will proceed as a continuation of the initial offering on the same indenture..." and that while Time Warner "will increase the amount of its guaranty by the additional amount of indebtedness incurred as a result of the continuation offering, no additional collateral will be pledged by it." The Order of May 18, 2004 approved the transaction set forth in the petition filed on February 17, 2004 and the proposed offering is a continuation of that transaction, resulting in no additional pledge of the Tennessee assets of Time Warner. Accordingly, it appears that no additional approval of the transaction proposed in your letter of February 4, 2005 is required, provided that TWTC does not issue notes totaling in excess of the \$800 million (\$400 million in fixed rates and \$400 million in floating rates) and does not borrow more than the \$150 million in revolving credit as approved in the May 18, 2004 Order.

Should you have any questions or if there is a change in the factual scenario, please do not hesitate to contact me.

Very truly yours,

*J. Richard Collier*  
J. Richard Collier  
General Counsel

cc Pat Miller, Chairman  
Aster R. Adams, Chief of Competitive Markets and Policy Division